

# **SECTION 5311 FORMAL APPLICATION GUIDE**



## **FINANCIAL ASSISTANCE FOR AREAS OTHER THAN URBANIZED AREAS**

# **FY 2006**

**MONTANA DEPARTMENT OF TRANSPORTATION  
TRANSIT SECTION  
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## **INTRODUCTION**

The Surface Transportation Act of 1978 amended the Federal Transit Act and established Section 5311, a program of public transportation assistance for small cities and rural communities. The Montana Department of Transportation (MDT) has been designated as the State agency responsible for administration of this program.

Both capital and operating expenses of public transportation systems are eligible for reimbursement under the Section 5311 Program.

### **Capital Assistance**

Depending on the State's annual allocation level, up to 80 percent funding with a 20 percent local match can be obtained for public transportation capital needs. All of the local share must be provided to the Transit Section/Transportation Planning Division prior to the delivery of the purchased equipment.

Eligible capital requests include buses, vans or other para-transit vehicles, vehicle rehabilitation, lifts, ramps, radios and communications equipment, computer hardware/software and accessories. Capital requests may also include construction or rehabilitation of transit facilities including design, engineering and land acquisition.

Transit Section staff will provide assistance with bid procedures. All bid and purchasing documents are required to be maintained in the Transit Section files.

### **Operating Assistance**

Up to 50 percent federal funding can be obtained for operating assistance with a 50 percent local match. Up to one-half of the local match may consist of federal funds that do not have legislation prohibiting them from being used as such. The other one-half of the local match must come from local sources.

Grant recipients are required to submit reports of actual operating expenditures and ridership for quarterly reimbursement by the Transit Section.

## **ELIGIBLE APPLICANTS**

- \* Local Public Bodies
- \* Public Transportation Providers
- \* Indian Tribes on Reservations
- \* Private Nonprofit Organizations
- \* Private for Profit Operators (*under contract with a public body or other eligible recipient*)

## **MINIMUM PROGRAM REQUIREMENTS**

The following minimum requirements apply to all Section 5311 applicants. Transit Section staff will audit all applicants and recipients to insure minimum requirements are maintained:

- 1) The applicant must be a public agency, a governing body of an Indian Tribe, a nonprofit organization or a private transportation operator under contract for services with a public agency.
- 2) Local public officials must designate only one applicant in a service area.
- 3) The proposed system must provide transportation service to the general public and must be a full-time fixed route or demand response dispatch system. The system must be equipped and available to serve the needs of the elderly, semi-ambulatory, wheelchair-confined and other disabled and transit-dependent public. The applicant is subject to the Americans With Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973, both of which address what the system must do to provide transportation to persons with disabilities.
- 4) The proposed system must insure that transportation service is provided to the general public a minimum of 40 hours per week.
- 5) The proposed system must advertise, at least monthly, in the local newspaper that the transportation service is for use by the general public and operates during regular commuter hours.
- 6) The transit vehicles cannot be marked in any way that represents exclusive use for a specific organization or clientele.

- 7) An approved five-year Transportation Development Plan (*TDP*) that includes capital expenditures must be completed for the service area at the time of application.
- 8) A first-time applicant must show that there will be an increase in the ridership or quality of service as a result of the requested Section 5311 grant.
- 9) The applicant must have the legal, fiscal and managerial capabilities to receive and disburse Section 5311 funds. All recipients will be required to meet OMB Circular A-133 requirements with respect to the Single Audit Act of 1984 which states:

Local governments that receive \$100,000 or more a year in federal financial assistance shall have an audit made in accordance with the Single Audit Act of 1984.

Local governments that received between \$25,000 and \$100,000 a year have an option of having a single audit made or complying with the audit requirements of the individual grant.

Local governments that receive less than \$25,000 a year are exempt from all federal audit requirements.

- 10) The applicant must insure that adequate funds are available to match Section 5311 funds and to provide for ongoing operations. One-half of the local match must be from sources other than federal funds. The other half of the local share may be made up of unrestricted funds from other federal sources. All Health and Human Services funds are eligible to be used as match.
- 11) The applicant must be in full compliance with the FTA drug and alcohol regulations according to CFR Part 40 and Part 655.

## **Civil Rights Requirements**

Title VI requires that all applicants are required to maintain and provide information as outlined in FTA Circular 4702.1 prior to the approval of any grant application. Successful applicants will be asked for further information prior to grant approval.

Should there be any transfer of real property, structures or improvements thereon, or needed licenses, leases, permits or similar instruments entered into or enacted by the recipient, additional Title VI assurances may be required.

DBE goals will be reviewed and approved prior to contract approval. Only Montana Department of Transportation DBEs will count towards contract goals. The recipient will abide by all federal and state program requirements.

*THE FOLLOWING GUIDE WILL ASSIST YOU IN COMPLETING  
YOUR APPLICATION*

**FIVE YEAR TRANSPORTATION DEVELOPMENT PLAN**  
*(TDP)*

Eligible applicants applying for Section 5311 capital and/or operating assistance are required to complete a five-year Transportation Development Plan. A TDP should describe the applicant's service area, existing transportation services, transportation needs, service alternatives, and recommended service plan. Also included should be a phased implementation schedule, vehicle replacement and acquisition schedule, and a financial plan. A major TDP update should be conducted every five years.

Applicants must provide private transportation providers, private nonprofit organizations, public agencies, and the Transit Section reasonable notice and opportunity to participate in the development of local transportation development plans and programs. Applicants are expected to maintain public records that document private participation in the project development process and the rationale used in making public/private service decisions.

A new TDP or major update of an existing TDP must be submitted for a public hearing upon completion. A copy of the TDP and public hearing transcript must accompany private participation documentation and the Section 5311 Formal Application when submitted to the Transit Section.

As part of the application process, an applicant not in the process of preparing a TDP or conducting a major TDP update is required to conduct an Annual TDP Plan Review. This TDP Plan Review should document the system and service changes with respect to routes, ridership, dispatching, coordination, service expansion and/or reductions, and other transit system elements.

An Annual TDP Plan Review does not require a public hearing but must include private sector participation. Documented evidence of private sector participation in the form of a public notice, meeting transcripts or letters of invitation are acceptable and shall accompany the Section 5311 Formal Application when submitted to the Transit Section. Space is available within the Section 5311 Formal Application to document the Annual TDP Plan Review.

Only transportation service provided to the general public in non-urbanized areas is eligible for Section 5311 program funding. *(Service provided within the urbanized areas of Billings, Great Falls, or Missoula is not eligible for reimbursement.)*

## APPLICATION SUBMISSION

The original copy of the completed Section 5311 Formal Application must be submitted to the Transit Section and should be addressed as follows:

David Jacobs  
Montana Department of Transportation  
Transit Section  
2701 Prospect Avenue  
PO Box 201001  
Helena MT 59620-1001

## APPLICATION INSTRUCTIONS

- I. The legal applicant agency name, mailing address, telephone number, and project director's name.
- II. Indicate the amount of Section 5311 assistance you are requesting in each category.
- III. The assurance must be signed by a local public official who has the authority for designating this applicant agency as the single applicant within the service area to receive and administer Section 5311 funds.
- IV. **TRANSPORTATION DEVELOPMENT PLAN (TDP)**  
Date the applicant's TDP was completed or last had a major update. If the applicant did not complete a TDP or major update within the last year, list the date the applicant's Annual TDP Plan Review was conducted.
- V. **ESTIMATED OPERATING BUDGET**  
*(Note - A copy of the final local government approved operating budget will need to be submitted to the Transit Section before grant payments will be authorized.)*
  - A. **Labor.** Identify wages of operators, mechanics, dispatchers, and transit managers. Staff who share duties and responsibilities with other offices or programs not related to the transportation program may charge a proportionate share of the costs if based upon a cost allocation plan approved by the MDT.
  - B. **Fringe Benefits.** Include fringe benefits of personnel identified under Section V, Item A, Labor (*above*).
  - C. **Services.** To include accounting services, audit fees, consultants, advertising, temporary help, contract maintenance, custodial services, and other services. Please specify.

D. **Materials and Supplies (*Consumed*)**. Fuel and lubricants include gasoline, diesel fuel, oil and lubricants.

Office supplies include desktop items necessary for the transportation program including printing and copier costs.

Tire replacement, vehicle parts, replacement (*vehicle parts -- inventories are not eligible*), body repair (*body parts--inventories are not eligible*), vehicle washing, building maintenance, and janitorial supplies.

E. **Utilities**. Self-explanatory.

F. **Casualty and Liability Costs**. Includes vehicle and transit related operational and administrative insurance.

G. **Taxes**. To include property taxes, vehicle licensing and registration fees and other related taxes.

H. **Purchased Transportation Service**. A contract or agreement between the designated agency and a transportation providing agency. Communities are allowed to contract with a transportation agency to provide comprehensive specialized service to persons with disabilities.

I. **Miscellaneous Expense**. To include dues and subscriptions, actual expenses of administrative and staff travel including meals and lodging, and other miscellaneous expenses.

J. **Leases and Rentals**. Includes rental of office space, vehicle maintenance and storage facilities, or a proportionate share of jointly utilized space if based upon a cost allocation plan approved by the MDT. Please specify the amount in each category.

K. **Other (*Please specify*)**. Self-explanatory.

L. **Total Lines A through K**.

M. **Include an estimate of revenues** to be collected through fares.

N. **Net Operating Deficit**. Subtract Line M from Line L.

- O. **Eligible Section 5311 Operating Assistance Request Level.**  
Operating assistance shall not exceed 50 percent of Line N. This figure should also be entered on Page 1, Part II of the application. *(The percentage of reimbursement will be based upon the availability of funds and statewide transit needs as assessed by the Transit Section.)*
- P. **Determine Your Disadvantaged Business Enterprise (DBE) Goal.** Assistance may be obtained by calling the Transit Section at 444-4210. A copy of the Department's DBE Directory will be sent upon request.
- Q. **Local Match.** At least one-half of the required operating match must be made up from nonfederal sources. Please identify the source(s) and amount(s).
- R. **Unrestricted Federal Match.** Up to one-half of the required operating match may be from federal funds that do not have legislation prohibiting them from being used for a portion of the local share. Please identify the source(s) and amount(s).

**VI. DETERMINING YOUR DBE GOAL**

Follow the instructions in the application for this section.

**VII. FUNDING REQUEST**

Follow instructions in application for this section.

**VIII. UNEXPENDED MONIES**

Follow instructions in application for this section.

**IX. TDP**

Follow instructions in application for this section.

**X. COORDINATION**

Follow instructions in application for this section.

**XI. PENDING APPLICATIONS**

Follow instructions in application for this section.

**XII. PRIVATE SECTOR PARTICIPATION**

Follow instructions in application for this section.

**XIII. EXISTING TRANSIT PROGRAM DESCRIPTION**

This section is self-explanatory.

**XIV. COMPUTER TECHNOLOGY REQUIREMENTS**

Follow instructions in application for this section.

**XV. PREVENTIVE MAINTENANCE**

Follow instructions in application for this section.

**XVI. CAPITAL ASSISTANCE REQUEST**

- A. **Vehicles.** Check requested vehicle needs and indicate quantity. Multiply the quantity times the unit cost to obtain total estimated cost by vehicle type. Estimate the unit cost of the purchase if not listed. For assistance, contact the Transit Section.
- B. **Equipment.** For radio equipment indicate the number of base or mobile units and related equipment needed. Please specify other types of transit equipment needed. Multiply the quantity times the unit cost to obtain total estimated cost by equipment type.
- C. **Total.** Add the total of A (*vehicles*) with the total of B (*equipment*).
- D. **Section 5311 Capital Assistance Request.** Approved capital assistance requests will be 80 percent of Line C. This figure should also be entered on Page 1, Part II of the application.
- E. **Local Match.** Identify the sources of funds to be used as the 20 percent local match.

**XVII. CAPITAL REPLACEMENT PLAN**

Estimate your capital needs for the next five years.

**XVIII. AGENCY VEHICLES**

Follow instructions in application for this section.

**XIX. VEHICLE NEED AND USE**

Follow instructions in application for this section.

**XX. APPLICANT ASSURANCES AND CERTIFICATIONS**

Read Minimum Program Requirements, Assurances and Certifications carefully and have the appropriate, responsible official sign and attest that all statements are valid.

**XXI. NONDISCRIMINATION ASSURANCE**

Read Title VI of the Civil Rights Act for Federal Aid Contracts carefully and have the appropriate, responsible official sign and attest that all statements are valid.

**XXII. APPLICATION PUBLIC NOTICE**

When applying for Section 5311 operating and/or capital assistance, a public notice must be published by the applicant agency in a local newspaper of general circulation for at least two consecutive issues prior to submitting your application to the MDT. *(See page 11 of this Application Guide for an example of the Application Public Notices.)* For capital assistance requests only, the notification must state that upon request a public hearing must be held to air disputes and resolve conflicts identified by private transportation providers or other parties. If a public hearing is requested, another public notice indicating the location, date, and time of the hearing must be issued. Please include the following verbiage in this public notice:

"For more information or for those who require accommodations for disabilities, call (Local Contact Person) or Patrick Sanders, Montana Department of Transportation, Helena at 444-4265 (TTY 800-335-7592)."

A copy of the public hearing transcript *(if held)* must accompany the Section 5311 Formal Application submittal. There is no public hearing requirement for operating assistance.

**XXIII. TRANSPORTATION ADVISORY COMMITTEE (TAC)**

This is an informational sheet.

**Sample Format for  
Operating Assistance Application  
Public Notice**

This is to notify all interested parties that the \_\_\_\_\_ is  
applying for \_\_\_\_\_ under the Section 5311 Program of the Federal  
*(name of agency)*  
*(amount of funds)*

Transit Administration entitled "Financial Assistance for Other than Urbanized Areas,"  
administered by the Montana Department of Transportation. Funding will be used for operating  
expenses associated with providing transportation services to the general public within

\_\_\_\_\_ *(the area of service)*

Anyone wishing to comment on this proposal should send comments within 30 days to:

\_\_\_\_\_ *(name of agency)*

\_\_\_\_\_ *(address of agency)*

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**Sample Format for  
Capital Assistance Application  
Public Notice**

This is to notify all interested parties that the \_\_\_\_\_ is  
applying for \_\_\_\_\_ under the Section 5311 Program of the Federal  
*(name of agency)*  
*(amount of funds)*

Transit Administration entitled "Financial Assistance for Other than Urbanized Areas,"  
administered by the Montana Department of Transportation. The funds will be used to purchase

\_\_\_\_\_ *(general description of vehicle or equipment)*

which will be used to provide transportation services for the general public within  
on a \_\_\_\_\_ basis.

*(the area of service)* *(type of service - fixed route or demand response)*

The service is offered \_\_\_\_\_  
*(days of the week)*

during the hours of \_\_\_\_\_  
*(list hours)*

Anyone wishing to comment or request a public hearing on this proposal should send  
comments/requests within 30 days to:

\_\_\_\_\_ *(name of agency)*

\_\_\_\_\_ *(address of agency)*